

**161.18 CREDIT FOR TAX PAID TO ANOTHER MUNICIPALITY.**

(a) ~~Every individual taxpayer who resides in the City, but who received net profits, salaries, wages, commissions, distributions from associations, or other compensation for work done or services performed or rendered outside the City, if it is made to appear that he has paid a municipal income tax or excise tax based on income, or such net profits, salaries, wages, commissions, distributions from associations, or other compensation in another municipality, Each resident shall be allowed a nonrefundable credit against the tax imposed under this Chapter with respect to that resident's Creditable Income. For purposes of this section, "Creditable Income" means, with respect to any Taxable Year, the portion of a resident's income (1) on which the resident paid municipal income tax to a municipality other than the City of Gahanna, or (2) with respect to which the employer of the resident withheld the municipal income tax of a municipality other than the City of Gahanna. Creditable Income shall not include taxes paid or withheld to the extent the resident is eligible to receive a refund of such taxes from the other municipality.~~ shall be allowed a credit of eighty three and one third percent (83-1/3%) of the amount so paid by him or in his behalf in such other municipality to the extent of the tax assessed by this chapter, by reason of such net profits, salaries, wages, commissions or other compensation earned in such other municipality where such tax is paid. In no instance shall the allowable credit for tax paid another municipality exceed the amount of tax imposed by this chapter. Prior to any alteration of this section, Council shall, at least sixty days prior to any revision, conduct a minimum of three public hearings on any proposed amendment.

(b) ~~Commencing with the 1983 fiscal year for the City, and continuing thereafter until otherwise determined by Council, the tax proceeds collected under the provisions of subsection (a) hereof, as those proceeds are certified by the Finance Director, shall be exclusively reserved or expended for and upon capital improvement or maintenance projects within the City as specifically approved and authorized by Council and which directly benefit the general public. Council shall budget and appropriate each fiscal year from the tax proceeds collected herein a minimum of one hundred thousand dollars (\$100,000) for street repair and maintenance, fifty thousand dollars (\$50,000) for police capital equipment and twenty thousand dollars (\$20,000) for stormwater system improvement and maintenance provided that the Finance Director can reasonably and fairly estimate tax proceeds to be collected during the fiscal year at no less than two hundred fifty thousand dollars (\$250,000).~~ The credit under subsection (a) above shall be equal to the product calculated by multiplying the following two (2) numbers:

- (1) Eighty-three and one-third percent (83-1/3%).
- (2) The lesser of the following amounts for the Taxable Year:
  - A. The tax paid on the Creditable Income to the other municipality; OR
  - B. The tax imposed under this Chapter, prior to application of this credit.

(c) ~~Commencing with the 1984 fiscal year for the City, and continuing thereafter until otherwise determined by Council, the tax proceeds collected under the provisions of subsection (a) hereof, as those proceeds are certified by the Finance Director,~~ For purposes of this section, "Net Proceeds" means the total proceeds collected from the tax imposed under this Chapter on the Creditable Income of all residents, after the application of the credit under subsection (a). Until otherwise determined by Council, the Net Proceeds for each fiscal year, as those Net Proceeds are verified by the Finance Director, shall be exclusively reserved or expended for capital improvements and equipment in the following categories:

- (1) Safety;
- (2) Streets; and
- (3) Stormwater Maintenance.

**(d) The credit became effective with respect to taxable income earned and/or received on and after January 1, 1989, and the purpose of and intention behind the revisions made to this section on January 6, 2015 are to provide clarification and to carry out the intent behind the credit since such effective date.**

**(e) Council shall conduct a minimum of three (3) public hearings at least sixty (60) days prior to any amendment of this section.**